



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-876]

Welded Line Pipe from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2016-2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that producers and/or exporters subject to this administrative review made sales of subject merchandise at less than normal value (NV). Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

FOR FURTHER INFORMATION CONTACT: David Goldberger or Ross Belliveau, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-4952, respectively.

Scope of the Order

The merchandise subject to the order is welded line pipe.¹ The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) item numbers: 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.

SUPPLEMENTARY INFORMATION:

Background

Commerce is conducting this review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). On February 23, 2018, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review on welded line pipe from Korea.² In August 2018, we extended the preliminary results of this review to no later than January 3, 2019.³ Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018, through the resumption of operations on January 28, 2019.⁴ If the new deadline falls on a non-business day, in accordance with Commerce's practice, the deadline will become the next business day. The revised deadline

¹ For a complete description of the Scope of the Order, *see* Memorandum, "Decision Memorandum for the Preliminary Results of the 2016-2017 Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 8058 (February 23, 2018) (*Initiation Notice*).

³ *See* Memorandum, "Welded Line Pipe from the Republic of Korea: Extension of Deadline for Preliminary Results of 2016-2017 Antidumping Duty Administrative Review," dated August 9, 2018.

⁴ *See* Memorandum, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

for the preliminary results of this review is now February 12, 2019. For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.

Export price and constructed export price are calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as the Appendix to this notice.

Preliminary Determination of No Shipments

Among the companies under review, HiSteel Co., Ltd. (HiSteel) properly filed a statement that it no shipments of subject merchandise to the United States during the POR.⁵ Based on its certification and our analysis of U.S. Customs and Border Protection (CBP) information, we preliminarily determine that HiSteel had no reviewable transactions during the POR. Consistent with our practice, we are not preliminarily rescinding the review with respect

⁵ *See* Letter from HiSteel Co., Ltd., "Administrative Review of the Antidumping Order on Welded Line Pipe from Korea for the 2016-17 Review Period – No Shipments Letter," dated March 26, 2018.

to HiSteel, but, rather, we will complete the review for HiSteel and issue appropriate instructions to CBP based on the final results of this review.⁶

Preliminary Results of the Review

As a result of this review, we preliminarily determine the following weighted-average dumping margins for the period December 1, 2016, through November 30, 2017:

<u>Exporter/ Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
NEXTEEL Co., Ltd.	59.09
SeAH Steel Corporation	26.47

Review-Specific Average Rate Applicable to the Following Companies:⁷

<u>Exporter/ Producer</u>	<u>Dumping Margin (Percent)</u>
AJU Besteel Co., Ltd.	41.53
BDP International, Inc.	41.53
Daewoo International Corporation	41.53

⁶ See, e.g., *Certain Frozen Warmwater Shrimp from Thailand; Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Review, Preliminary Determination of No Shipments; 2012-2013*, 79 FR 15951, 15952 (March 24, 2014), unchanged in *Certain Frozen Warmwater Shrimp from Thailand: Final Results of Antidumping Duty Administrative Review, Final Determination of No Shipments, and Partial Rescission of Review; 2012-2013*, 79 FR 51306, 51307 (August 28, 2014).⁷ This rate is based on the weighted-average of the margins calculated for those companies selected for individual review using the publicly-ranged U.S. quantities. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. See *Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010); see also Memorandum, "Calculation of the Review-Specific Average Rate for the Preliminary Results," dated concurrently with this notice.

⁷ This rate is based on the weighted-average of the margins calculated for those companies selected for individual review using the publicly-ranged U.S. quantities. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. See *Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010); see also Memorandum, "Calculation of the Review-Specific Average Rate for the Preliminary Results," dated concurrently with this notice.

Dongbu Incheon Steel Co.	41.53
Dongbu Steel Co., Ltd.	41.53
Dongkuk Steel Mill	41.53
Dong Yang Steel Pipe	41.53
EEW Korea Co., Ltd.	41.53
Husteel Co., Ltd.	41.53
Hyundai RB Co. Ltd.	41.53
Hyundai Steel Company/Hyundai HYSCO	41.53
Kelly Pipe Co., LLC.	41.53
Keonwoo Metals Co., Ltd.	41.53
Kolon Global Corp.	41.53
Korea Cast Iron Pipe Ind. Co., Ltd.	41.53
Kurvers Piping Italy S.R.L.	41.53
MSTEEL Co., Ltd.	41.53
Miju Steel MFG Co., Ltd.	41.53
Poongsan Valinox (Valtimet Division)	41.53
POSCO	41.53
POSCO Daewoo	41.53
R&R Trading Co. Ltd.	41.53
Sam Kang M&T Co., Ltd.	41.53
Sin Sung Metal Co., Ltd.	41.53
SK Networks	41.53
Soon-Hong Trading Company	41.53
Steel Flower Co., Ltd.	41.53
TGS Pipe	41.53
Tokyo Engineering Korea Ltd	41.53

Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), where NEXTEEL Co., Ltd. (NEXTEEL) reported the entered value of its U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. SeAH Steel Corporation

(SeAH) did not report actual entered value for all of its U.S. sales; in such instances, we calculated entered value in order to determine the assessment rates. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average⁸ of the cash deposit rates calculated for NEXTEEL and SeAH. In accordance with Commerce's practice, for entries of subject merchandise during the POR for which HiSteel did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate such entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.⁹

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: 1) the cash deposit rate for each specific company listed above will be that established in

⁸ This rate was calculated as discussed in footnote 7, above.

⁹ See section 751(a)(2)(C) of the Act.

the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; 2) for previously investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; 3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and 4) the cash deposit rate for all other manufacturers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.¹⁰ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.¹¹ Interested parties may submit case briefs not later than seven days after the date on which the last verification report is issued in this proceeding.¹² Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.¹³ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to

¹⁰ See *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056, 75057 (December 1, 2015).

¹¹ See 19 CFR 351.224(b).

¹² See 19 CFR 351.309(c)(1)(ii).

¹³ See 19 CFR 351.309(d)(1).

submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁴ Case and rebuttal briefs should be filed using ACCESS.¹⁵

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically-filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.¹⁶ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.¹⁷

Commerce intends to issue the final results of this administrative review, including the results of its analysis raised in any written briefs, not later than 120 days after the publication of these preliminary results in the *Federal Register*, unless otherwise extended.¹⁸

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this

¹⁴ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁵ See 19 CFR 351.303.

¹⁶ See 19 CFR 351.310(c).

¹⁷ *Id.*

¹⁸ See Section 751(a)(3)(A) of the Act.

requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: February 7, 2019.

Christian Marsh,

Deputy Assistant Secretary

for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

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